



P.O. Box 619063
Dallas, TX 75261-9063

Exhibit Payment Change Letter Page 1 of 6

Loan Number: [REDACTED]

Property Address: 2358 Jennie Ave

Escrow Analysis Date: 04/04/2023

New Payment: \$1,021.11

New Payment Effective Date: 07/01/2023

MARK A SHORETTE
2358 JENNIE AVE
ALLENTEW PA 18104



Pay by website:
flagstar.com/myloans



Customer service:
(800) 968-7700
Monday-Friday 7:30 a.m.-8 p.m., ET
Saturday 7:30 a.m.-4 p.m., ET



Pay by mail:
Flagstar Bank • PO Box 660263
Dallas, TX 75266-0263

Dear Mark A Shorette,

Each year Flagstar Bank reviews the escrow account to ensure the correct amounts are being collected to pay the property taxes and homeowner's insurance. In reviewing the escrow account, we found a shortage of \$73.49.

Quick breakdown of the Escrow review

Required Escrow Balance	\$3,362.49
Current Escrow Balance*	\$3,289.00

There is a shortage of**\$73.49**

*Based on all payments and disbursements due being made prior to the new payment effective date.

For more escrow related information, please reference your Bankruptcy documents filed with the court.

The information below reflects the details of our review and the new monthly mortgage payment. The **shortage** was caused by an **increase** in the **taxes and insurance**.

New Monthly Mortgage Payment**Old Mortgage Payment**

Principal & Interest	\$649.08
Escrow	\$346.98

Monthly Mortgage Payment**\$996.06****Monthly Payment of Escrow Shortage**

Principal & Interest	\$649.08
Escrow	\$365.91
Escrow Shortage	\$6.12
New Monthly Mortgage Payment	\$1,021.11

We will automatically spread the repayment of the escrow shortage over the next 12 monthly payments beginning with the payment due July 01, 2023.

How the Escrow Payment Is Calculated

The new monthly escrow payment is calculated by adding all of the disbursements then dividing this figure by 12 months, which equals \$365.91.

Taxes	\$2,317.50	/12=	\$193.13
Insurance	\$1,045.00	/12=	\$87.08
Taxes	\$547.51	/12=	\$45.63
Taxes	\$480.85	/12=	\$40.07
Escrow Payment			\$365.91

Determining the Escrow Shortage

As allowed by the Real Estate Settlement Procedures Act (RESPA), the mortgage documents, or state law, the escrow balance should not go below two months' tax and insurance payments, which is a minimum balance of \$731.81.

The projected escrow balance in August is expected to be \$658.32.

Required Minimum Balance:	\$731.81
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Projected Balance:	\$658.32
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Escrow Shortage	-\$73.49
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Important Information

If you have an automatic payment for your mortgage payment and have an additional principal amount included, the principal amount will not change but will be added to your new payment amount. To change your monthly principal amount, please visit flagstar.com/myloans to update your autopay.

Review the Upcoming Escrow Account Activity (07/01/23 to 06/01/24)

The items below reflect the payments we expect to receive each month for the escrow account and the payments we expect to make on your behalf for the real estate taxes and/or insurance premiums.

Month	Item Description	Payment to Escrow	Payment from Escrow	Expected Balance	Required Balance
	Beginning Balance			\$3,289.00	\$3,362.49
07/23		\$365.91	\$0.00	\$3,654.91	\$3,728.40
08/23	Taxes	\$365.91	-\$2,317.50	\$1,703.32	\$1,776.81
08/23	Insurance	\$0.00	-\$1,045.00	\$658.32	\$731.81
09/23		\$365.91	\$0.00	\$1,024.23	\$1,097.72
10/23		\$365.91	\$0.00	\$1,390.14	\$1,463.63
11/23		\$365.91	\$0.00	\$1,756.05	\$1,829.54
12/23		\$365.91	\$0.00	\$2,121.96	\$2,195.45
01/24		\$365.91	\$0.00	\$2,487.87	\$2,561.36
02/24		\$365.91	\$0.00	\$2,853.78	\$2,927.27
03/24		\$365.91	\$0.00	\$3,219.69	\$3,293.18
04/24		\$365.91	\$0.00	\$3,585.60	\$3,659.09
05/24	Taxes	\$365.91	-\$547.51	\$3,404.00	\$3,477.49
05/24	Taxes	\$0.00	-\$480.85	\$2,923.15	\$2,996.64
06/24		\$365.91	\$0.00	\$3,289.06	\$3,362.55
	Total	\$4,390.92	-\$4,390.86		

Review the Escrow Account History (05/01/22 to 06/30/23)

The items below reflect the expected activity last year and compare it with the actual payments received and disbursements made.

Last year, we anticipated that payments from the escrow account would be made during this period equaling \$4,347.34. Under federal law, the lowest monthly balance should not have exceeded \$724.56 or two (2) months of anticipated payments from the escrow account, unless the mortgage documents or state law specifies a lower amount. The actual lowest monthly balance was -\$14,763.36.

Month	Item Description	PROJECTED			ACTUAL		
		Payment to Escrow	Payment from Escrow	Escrow Running Balance	Payment to Escrow	Payment from Escrow	Escrow Running Balance
	Beginning Balance			\$3,622.78			-\$10,719.48
May	Taxes	\$362.28	\$547.51	\$3,437.55	\$0.00	\$547.51	-\$11,266.99
May	Taxes	\$0.00	\$480.85	\$2,956.70	\$0.00	\$480.85	-\$11,747.84
June		\$362.28	\$0.00	\$3,318.98	\$0.00	\$0.00	-\$11,747.84
July		\$362.28	\$0.00	\$3,681.26	\$346.98	\$0.00	-\$11,400.86
August	Taxes	\$362.28	\$2,289.98	\$1,753.56	\$0.00	\$2,317.50	-\$13,718.36
August	Insurance	\$0.00	\$1,029.00	\$724.56	\$0.00	\$1,045.00	-\$14,763.36
September		\$362.28	\$0.00	\$1,086.84	\$693.96	\$0.00	-\$14,069.40
October		\$362.28	\$0.00	\$1,449.12	\$0.00	\$0.00	-\$14,069.40
November		\$362.28	\$0.00	\$1,811.40	\$0.00	\$0.00	-\$14,069.40
December		\$362.28	\$0.00	\$2,173.68	\$346.98	\$0.00	-\$13,722.42
January		\$362.28	\$0.00	\$2,535.96	\$0.00	\$0.00	-\$13,722.42
February		\$362.28	\$0.00	\$2,898.24	\$0.00	\$0.00	-\$13,722.42
March		\$362.28	\$0.00	\$3,260.52	\$346.98	\$0.00	-\$13,375.44
April		\$362.28 @	\$0.00 @	\$3,622.80	\$16,968.24	\$0.00	\$3,592.80
May	Taxes	\$0.00 @	\$0.00 @	\$3,622.80	\$362.28	\$547.51	\$3,407.57
May	Taxes	\$0.00 @	\$0.00 @	\$3,622.80	\$0.00	\$480.85	\$2,926.72
June		\$0.00 @	\$0.00 @	\$3,622.80	\$362.28	\$0.00	\$3,289.00
Total		\$4,347.36	\$4,347.34		\$19,427.70	\$5,419.22	

The item indicated in red is the difference from a previous estimate either in date or the amount. An @ symbol indicates a scheduled payment to or from the escrow account which has not been made. Enclosed you will find a guide and answers to frequently asked questions to further assist you with understanding the escrow account and the terms in this statement.



Loan Number: [REDACTED]

Property Address: 2358 Jennie Ave

[REDACTED]
MARK A SHORETTE
2358 JENNIE AVE
ALLENTOWN PA 18104

Any questions about changes to your tax payment should be directed to your taxing authority. For more information about changes to your insurance premiums, please contact your insurance agent.

If you have any questions, you can contact us via chat at flagstar.com or call us at (800) 968-7700.

Get to know your escrow statement.

We want this statement to be a useful mortgage management tool that offers you the opportunity to easily understand information about the escrow account. This guide outlines the details provided on the statement, explains the items that may appear, and defines the terms that are used.

How to read the statement:

A Loan Information

This section provides the new payment amounts and the date when the new payment is effective.

B Payment Options and Contact Information

We offer several convenient methods to make the payments.

C Explanation of Escrow Analysis

Summarizes the results of the annual escrow analysis and explains the change(s) to the tax and/or insurance premiums and the effect it will have on the monthly mortgage payment.

D New Monthly Mortgage Payment

We will automatically spread the shortage out over a number of payments.

E How the Escrow Payment is Calculated

Provides the calculation used to determine the monthly escrow payment.

F How the Escrow Shortage is Calculated

Reflects the required minimum balance and the expected minimum balance. The difference between the two amounts equals the shortage.

G Important Information

Special messages or announcements about the account are shown here. If you set up automatic payments and need to take action, we will provide the details here.

H Upcoming Escrow Activity

These are the expected payments to and disbursements from the escrow account. The expected payments are based off of the actual amounts paid the prior year. The minimum balance will be noted in red.

I Escrow Account History

This section will show you the actual payments into, and disbursements out of the escrow account for the last analysis period. This information can be helpful to you when determining changes with the escrowed items that caused a change to the payment.

 <p>Pay by mail: PO Box 6063 Dallas, TX 75246-4023</p> <p>Name Line 1 Name Line 2 12345 Second Street Hometown, MI 48000</p> <p>Quick breakdown of the Escrow review</p> <table border="0"> <tr> <td style="vertical-align: top; padding-right: 10px;">C</td> <td>Required Escrow Balance \$000,000.00</td> <td>Current Escrow Balance# \$000,000.00</td> </tr> <tr> <td colspan="2">There is a shortage of \$00,000.00</td> </tr> </table> <p><small>*Based on all payments and debits/memo due being made prior to the new payment effective date.</small></p> <p>The information below reflects the details of our review and the new monthly mortgage payment. The shortage was caused by an increase in the escrowed items.</p> <p>New Monthly Mortgage Payment D</p> <table border="0"> <tr> <td>Monthly Payment of Escrow Shortage</td> <td>Monthly Mortgage Payment</td> </tr> <tr> <td>Principal & Interest \$000,000.00</td> <td>Principal & Interest \$000,000.00</td> </tr> <tr> <td>Escrow \$000,000.00</td> <td>Escrow \$000,000.00</td> </tr> <tr> <td>Optional Products \$000,000.00</td> <td></td> </tr> <tr> <td>Escrow Shortage \$000,000.00</td> <td></td> </tr> <tr> <td>New Monthly Mortgage Payment \$000,000.00</td> <td>Monthly Mortgage Payment \$000,000.00</td> </tr> </table> <p>We will automatically spread the repayment of the escrow shortage over the next 100 monthly payments beginning with the payment due MM/YY/YY.</p> <p>How the Escrow Payment Is Calculated E</p> <p>The new monthly escrow payment is calculated by adding all of the debits/memos then dividing this figure by 12 months, which equals \$XXX,XXX.</p> <table border="0"> <tr> <td>Taxes \$000,000.00</td> <td>/12= \$000,000.00</td> </tr> <tr> <td>Insurance \$000,000.00</td> <td>/12= \$000,000.00</td> </tr> </table> <p>Determining the Shortage F</p> <p>As allowed by the Real Estate Settlement Procedures Act (RESPA), the mortgage documents, or state law, the escrow balance should be held two month's tax and insurance payments which is a minimum balance of \$XXX,XXX.</p> <p>The projected escrow balance in [month] is expected to be \$XXX,XXX.</p>	C	Required Escrow Balance \$000,000.00	Current Escrow Balance# \$000,000.00	There is a shortage of \$00,000.00		Monthly Payment of Escrow Shortage	Monthly Mortgage Payment	Principal & Interest \$000,000.00	Principal & Interest \$000,000.00	Escrow \$000,000.00	Escrow \$000,000.00	Optional Products \$000,000.00		Escrow Shortage \$000,000.00		New Monthly Mortgage Payment \$000,000.00	Monthly Mortgage Payment \$000,000.00	Taxes \$000,000.00	/12= \$000,000.00	Insurance \$000,000.00	/12= \$000,000.00	<p style="text-align: right;">► ANNUAL ESCROW STATEMENT</p> <div style="border: 1px solid black; padding: 10px; margin-bottom: 10px;"> <p>A</p> <p>Loan Number: 123456789 Property Address: 12345 Street Ave Drive Escrow Analysis Date: 00/00/0000 New Payment: \$00,000.00 New Payment Effective Date: 00/00/0000</p> </div> <div style="border: 1px solid black; padding: 10px; margin-bottom: 10px;"> <p>B</p> <p> Pay by website: flagstar.com/myloans  Customer service (800) 968-7700 Monday-Friday 7:30 a.m.-8 p.m. ET Saturday-Sunday 7:30 a.m.-4 p.m. ET</p> </div>
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Review the Upcoming Escrow Account Activity (00/00/0000 to 00/00/0000)		H					
The items below reflect the payments we expect to receive each month for the escrow account and the payments we expect to make on your behalf for the real estate taxes and/or insurance premium.							
Month	Item Description	Payment to Escrow	Payment from Escrow	Expected Balance	Required Balance		
03/00	Beginning Balance	\$0,000.00	\$0,000.00	\$000,000.00	\$000,000.00		
03/00	Mortgage Insurance	\$0,000.00	\$0,000.00	\$000,000.00	\$000,000.00		
03/00	Mortgage Insurance	\$0,000.00	\$0,000.00	\$000,000.00	\$000,000.00		
03/00	Mortgage Insurance	\$0,000.00	\$0,000.00	\$000,000.00	\$000,000.00		
03/00	Mortgage Insurance	\$0,000.00	\$0,000.00	\$000,000.00	\$000,000.00		
03/00	Mortgage Insurance	\$0,000.00	\$0,000.00	\$000,000.00	\$000,000.00		
03/00	Mortgage Insurance	\$0,000.00	\$0,000.00	\$000,000.00	\$000,000.00		
03/00	Mortgage Insurance	\$0,000.00	\$0,000.00	\$000,000.00	\$000,000.00		
03/00	Mortgage Insurance	\$0,000.00	\$0,000.00	\$000,000.00	\$000,000.00		
03/00	Property Taxes	\$0,000.00	\$0,000.00	\$000,000.00	\$000,000.00		
03/00	Food Insurance	\$0,000.00	\$0,000.00	\$000,000.00	\$000,000.00		
03/00	Mortgage Insurance	\$0,000.00	\$0,000.00	\$000,000.00	\$000,000.00		
03/00	Mortgage Insurance	\$0,000.00	\$0,000.00	\$000,000.00	\$000,000.00		
Review the Escrow Account History (00/00/0000 to 00/00/0000)							
The items below reflect the expected activity last year and compare it with the actual payments received and disbursements made.							
Last year, we anticipated that payments from the escrow account would be made during this period equaling \$000,000.00. Under federal law, the lowest monthly balance should not have exceeded \$000,000.00 or two (2) months of anticipated payments from the escrow account, unless the mortgage documents or state law specifies a lower amount. The actual lowest monthly balance was less than \$000,000.00.							
PROJECTED		ACTUAL					
Month	Item Description	Payment to Escrow	Payment from Escrow	Escrow Running Balance	Payment to Escrow	Payment from Escrow	Escrow Running Balance
Beginning Balance				\$790.86			\$736.22
June	Mortgage Insurance	\$198.10	\$30.20	\$899.76	\$143.65	\$0.00	\$879.87

What is an escrow analysis?

An escrow analysis is a review of the escrow accounts to determine if the current monthly escrow payment is enough to pay taxes, insurance, and other bills when due. Escrow analyses are typically run annually based on the property tax payment cycle. Occasionally, the payment of taxes or insurance causes the escrow account to reach a negative balance, and it may be necessary to perform more than one analysis during the year.

Can I waive my escrow account?

Escrow accounts are required and cannot be waived on FHA (Federal Housing Administration), GRH (Guaranteed Rural Housing) or VA (Veteran Affairs) loans.

Escrow accounts on other types of loans, such as Fannie Mae or Freddie Mac loans, may be waived if certain conditions are met. Some basic conditions to determine eligibility for escrow waivers are:

- The loan-to-value ratio of your loan must be 80 percent or less.
- There have not been any payments over 30 days late in the last 12 months.
- Loan is not in a Special Flood Hazard Area (SFHA).
- The loan cannot be in foreclosure, bankruptcy or loss mitigation.

Note: If all conditions are met on a loan with required flood insurance, all escrows may be waived with the exception of the flood insurance. Other conditions and requirements may apply; however, if the above conditions are met, please download the [Escrow Waiver Request Form](#) from flagstar.com/myloans, complete it, and fax or mail it as directed.

Please note that an escrow waiver fee equal to 0.25 percent of the current principal balance or \$150, whichever is greater, is charged. This fee will be charged unless not permitted by applicable state law.

Why did my payment change?

As the bills for the real estate taxes and insurance premiums change, the amount needed to be collected every month also needs to be updated. Even on a fixed-rate loan the escrow payment may vary, causing a change in the total payment owed. Please see the escrow analysis for more information.

Why do I have a shortage in my escrow account?

Escrow shortages generally occur when property taxes and/or insurance payments increase. Specific questions regarding tax amounts or homeowner's insurance should be directed to the local tax authority or the insurance agent. The following are other common reasons for an escrow shortage:

- An increase in the tax or insurance bill.
- Underestimation of the tax assessment on a new construction loan that was based on land only.
- An unanticipated disbursement, such as a supplemental tax bill.
- Force-placed taxes or insurance.

How can I pay my escrow shortage?

Escrow shortages are conveniently spread over a period of months. For more payment options, visit [flagstar.com/myloans](#).

Whom do I contact to update my loan with the correct tax amounts/information?

Since we may already receive the tax information from the taxing authority, please call the Customer Service Department to discuss the information we may need from you.

My insurance carrier has changed. What do I do?

Please call the Insurance Department at (833) 811-3061. Representatives are available Monday - Friday 7:30 a.m.-8 p.m. ET.

Please refer to [flagstar.com/myloans](#) for a full list of Escrow FAQs.